

Message Text

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ACTION EA-09

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FM AMEMBASSY RANGOON
TO SECSTATE WASHDC 3197

C O N F I D E N T I A L SECTION 1 OF 2 RANGOON 0799

E.O. 11652: GDS
TAGS: SNAR, BM
SUBJ: THE NARCOTICS SITUATION IN BURMA -- A PRESCRIPTIVE STATUS
REPORT

REF: RANGOON A-14

QUOTED BELOW IS THE SUMMARY AND CONCLUSIONS OF REFERENCED
AIRGRAM, WHICH WAS POUCHED MARCH 22.

I. SUMMARY AND CONCLUSIONS

1. BURMA'S COMPLEX NARCOTICS SITUATION HAS INVOLVED THE PRODUCTION, TRAFFICKING, AND REFINING OF SOME 400 TONS OF ILLICIT OPIUM ANNUALLY, PRIMARILY UNDER THE AEGIS OF SEVERAL LARGE, WELL-ARMED INSURGENT ORGANIZATIONS WITH VARYING DEGREES OF POLITICAL AND CRIMINAL COLORATION. THIS SITUATION CHANGED SIGNIFICANTLY DURING THE PAST TWO AND A HALF YEARS, AS THE BURMESE GOVERNMENT (GUB) UNDERTOOK A TOP-PRIORITY ANTI-NARCOTICS CAMPAIGN. IT DECIDED TO DO SO BECAUSE IT REALIZED THAT AN ATTACK ON NARCOTICS COULD MAKE A DECISIVE CONTRIBUTION TO ITS EFFORTS TO COPE WITH INSURGENCY, AND BECAUSE OF THE INCREASINGLY SERIOUS DOMESTIC DRUG ABUSE PROBLEMS IN BURMA.

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2. CONSIDERABLE PROGRESS HAS BEEN MADE IN ATTACKING EACH OF THE FOUR MAJOR LINKS IN THE NARCOTICS TRAFFICKING CHAIN, THE FIRST THREE IN BURMA AND THE LAST IN THAILAND:
-- PRODUCTION. IN THE 1975-76 CROP SEASON 18,000 ACRES OF POPPIES WERE CUT DOWN BY GUB MILITARY AND CIVILIAN TEAMS, THUS ELIMINATING THE EQUIVALENT OF 70 TONS OF

OPIUM. THIS CAMPAIGN WAS CONTINUED IN THE SEASON JUST NOW ENDING, AND ALTHOUGH THE ACREAGE DESTROYED WILL NOT BE AS GREAT AS LAST YEAR, MANY OF THE FARMERS WHO GREW POPPIES LAST YEAR FEARED TO DO SO THIS YEAR. WE EXPECT OVERALL PRODUCTION WILL SHOW A SUBSTANTIAL DROP.

-- ANTI-CARAVAN OPERATIONS. IN EARLIER YEARS THE BULK OF BURMA'S OPIUM WAS MOVED FROM PRODUCTION CENTERS TO THE THAI BORDER BY LARGE CARAVANS CONSISTING OF HUNDREDS OF MILES AND HUNDREDS OF ARMED ESCORTS. BURMA ARMY INTERDICTION EFFORTS HAVE FORCED SOME ORGANIZATIONS OUT OF THE CARAVAN BUSINESS ALTOGETHER, AND OTHERS HAVE HAD TO SHIP SMALLER AMOUNTS BY MORE CIRCUITOUS ROUTES. IF CURRENT TRENDS CONTINUE, MAJOR CARAVANS MAY BECOME A THING OF THE PAST.

-- ANTI-REFINERY OPERATIONS. BEGINNING IN 1975 THE BURMA ARMY HAS BEEN CONDUCTING OPERATIONS AGAINST NARCOTICS REFINERIES IN NORTHERN BURMA AND ALONG THE THAI BORDER. SEVERAL SUCCESSES HAVE BEEN ACHIEVED, AND CONSIDERABLE DISRUPTION HAS BEEN CAUSED TO THE TRAFFICKERS. ALTHOUGH LOGISTICS DIFFICULTIES, PRIMARILY THE LACK OF TRANSPORT AIRCRAFT, HAVE MADE THE BURMESE RECONSIDER THE VIABILITY OF THESE OPERATIONS, WE ARE HOPEFUL THAT THEY WILL CONTINUE THEM, EVEN THOUGH FOR THE TIME BEING PROBABLY ON A MORE MODEST AND SELECTIVE BASIS.

-- THE THAI MARKET, THE EFFORTS OF THE NEW THAI GOVERNMENT SINCE LAST OCTOBER TO STRENGTHEN ITS ANTI-NARCOTICS POLICIES AND PROGRAMS HAVE PRODUCED A STRONG RIPPLE EFFECT IN BURMA, FIRST REDUCING DEMAND AND PRICES AT BORDER-AREA MARKETS, THEN AT KEY BURMESE NARCOTICS

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CENTERS, AND MOST RECENTLY AMONG THE FIRST-ECHELON MERCHANTS AND GROWERS. CURRENTLY, SALES AND MOVEMENT THROUGHOUT THE TRAFFICKING CHAIN ARE VERY SLOW, AND PRICES ARE AT HISTORIC LOWS.

3. THUS THE NARCOTICS TRAFFICKERS HAVE COME ON HARD TIMES IN BURMA. THEY SHOULD BE NO MEANS BE COUNTED OUT OF THE BATTLE, HOWEVER, AND IF THE PRESSURE RELENTS OR CONDITIONS CHANGE, THEY WOULD PROBABLY MAKE A RAPID RECOVERY.

4. WITH REGARD TO CORRUPTION AND "RECYCLING" OF SEIZED NARCOTICS, BURMESE OFFICIALS ARE NOT IMMUNE TO THE NARCOTICS TRADE'S LUCRATIVE TEMPTATIONS. HOWEVER, THE LEADERSHIP OF THE ANTI-NARCOTICS PROGRAM IS CLEAN, AND EVEN AT LOWER LEVELS WE BELIEVE CORRUPTION IS BY NO MEANS PERVASIVE AND DOES NOT AT THIS TIME CONSTITUTE A MAJOR FACTOR IN THE BURMESE NARCOTICS SCENE.

5. TURNING TO THE U.S. ROLE, THE EARLY 1970'S BEGINNING

OF THE MAJOR AMERICAN CAMPAIGN TO STOP GLOBAL NARCOTICS
TRAFFICKING COINCIDED WITH BURMA'S SLOW EMERGENCE FROM
SELF-IMPOSED ISOLATION, ITS REALIZATION OF THE SYMBIOTIC
RELATIONSHIP BETWEEN NARCOTICS AND INSURGENCY, AND ITS
AWARENESS OF ITS DOMESTIC DRUG ABUSE PROBLEM. THUS THE
INTERESTS OF THE TWO COUNTRIES WERE HIGHLY COMPATIBLE
IN THIS MATTER, AND THE TIME SEEMED PROPITIOUS FOR US TO
ASSIST THE BURMESE TO IMPROVE THE EFFECTIVENESS OF THEIR
ANTI-NARCOTICS PROGRAM. OUR FIRST OVERTURES IN THIS
DIRECTION HOWEVER, WERE TOO HIGH-PRESSURE AND HIGH-PROFILE
FOR THE STILL SUSPICIOUS AND STRIDENTLY NEUTRALIST BURMESE,
AND WE WERE THOROUGHLY REBUFFED. A SECOND EFFORT, MORE
MODEST AND LOW-KEY, RESULTED IN A MUTUALLY ACCEPTABLE
AGREEMENT IN JUNE 1974. WHILE OUR NARCOTICS RELATIONSHIP
WITH THE BURMESE NOW SEEMS TO BE ON SOLID FOOTING, WE
MUST STILL BE VERY CAREFUL NOT TO PUSH TOO HARD OR TOO
FAST IN TRYING TO BE HELPFUL IN FURTHER ENHANCING BURMESE
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ANTI-NARCOTICS CAPABILITIES.

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C O N F I D E N T I A L SECTION 2 OF 2 RANGOON 0799

6. UNDER THE TERMS OF THE 1974 AGREEMENT, WE HAVE PROVIDED
THE GUB WITH APPROXIMATELY \$21 MILLION WORTH OF EQUIPMENT,
CONSISTING MOST IMPORTANTLY OF 18 HELICOPTERS AND ONE TRANS-
PORT AIRCRAFT. THE OVERALL BURMESE RECORD ON UTILIZATION
OF THIS EQUIPMENT HAS BEEN EXCELLENT.

7. ANOTHER ENCOURAGING DEVELOPMENT WAS THE GUB'S AGREEMENT, IN MAY 1976, TO A UNFDAC PROGRAM OF \$6.6 MILLION WORTH OF AID IN CROP SUBSTITUTION, LAW ENFORCEMENT, AND TREATMENT/REHABILITATION OF ADDICTS. HOWEVER, THIS PROGRAM HAS BEEN SLOW GETTING STARTED AND HAS NOT YET BECOME FULLY OPERATIONAL.

8. LOOKING TO THE FUTURE, THE PRINCIPAL BURMESE OBJECTIVE WILL ALMOST CERTAINLY CONTINUE TO BE ELIMINATION OF THE INSURGENT/TRAFFICKING ORGANIZATIONS. DESTRUCTION OF REFINERIES AND SEIZURE OF NARCOTICS ARE IMPORTANT BUT ANCILLARY GOALS. WE BELIEVE THIS IS THE PROPER OBJECTIVE, OFFERING MORE PROMISE THAN ANY OTHER OPTION CURRENTLY AVAILABLE OF REACHING OUR OWN NARCOTICS AIMS FOR BURMA. WE ALSO AGREE WITH THE BURMESE THAT THIS OBJECTIVE MUST BE PURSUED PRIMARILY WITH MILITARY MEANS.

9. ONE POSSIBILITY OF ACCELERATING PROGRESS IN THE ANTI-CONFIDENTIAL

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NARCOTICS PROGRAM WOULD BE COOPERATION BETWEEN THE BURMESE AND THE THAI, THUS DENYING THE TRAFFICKERS THEIR CURRENT OPTION OF AVOIDING THE OPERATIONS OF BOTH GOVERNMENTS BY MOVING BACK AND FORTH ACROSS THE BORDER. HOWEVER, IN SPITE OF RECENT FAVORABLE THAI ACTIONS AGAINST SOME BURMESE DISSIDENTS, THE BURMESE CONTINUE TO MISTRUST THE THAI BECAUSE OF THE LONG RECORD OF THAI ASSISTANCE TO ANTI-GUB INSURGENTS. CONSEQUENTLY, ANY IMPROVEMENT IN THAI-BURMA RELATIONS WILL TAKE TIME AND FROM THE BURMESE VIEWPOINT WILL REQUIRE SUSTAINED EVIDENCE OF THAI SINCERITY. NONETHELESS, THIS IS A DEVELOPMENT WE SHOULD ENCOURAGE TO THE LIMITED EXTENT WE CAN.

10. ANOTHER POSSIBILITY OF ACHIEVING MORE RAPID PROGRESS IN THE ANTI-NARCOTICS CAMPAIGN WOULD BE BURMA'S ADOPTION OF A MEXICO-TYPE PROGRAM OF DESTROYING POPPIES BY AERIAL SPRAYING OF HERBICIDE. THIS COULD BE OF DRAMATIC ASSISTANCE IN OVERCOMING THE CURRENT MAJOR CONSTRAINT ON BURMA'S ANTI-NARCOTICS EFFORTS -- THE FACT THAT THE GUB DOES NOT CONTROL THE AREAS WHERE MOST POPPIES ARE GROWN AND MOST TRAFFICKING ACTIVITIES TAKE PLACE, AND HAS LITTLE PROSPECT OF ACHIEVING SUCH CONTROL. THE BURMESE HAVE EXPRESSED INTEREST IN A HERBICIDE PROGRAM AND ARE NOW CONDUCTING A SMALL PILOT PROJECT. WE BELIEVE THE U.S. SHOULD BE RESPONSIVE, IF POSSIBLE UNDER U.N. AUSPICES, TO A POTENTIAL GUB REQUEST FOR ASSISTANCE WITH HERBICIDE.

11. THE BURMA AIR FORCE'S LACK OF TRANSPORT AIRCRAFT TO SUPPORT FORCES IN THE FIELD ADVERSELY AFFECTS THE ABILITY

OF THESE FORCES TO CONDUCT ANTI-NARCOTICS OPERATIONS. THE BURMESE ALSO NEED ADDITIONAL HELP WITH CROP SUBSTITUTION AND WITH DOMESTIC DRUG ABUSE PROBLEMS. WE BELIEVE THE U.S. SHOULD TRY TO HELP MEET THESE NEEDS, FIRST BY TRYING TO INDUCE THIRD COUNTRIES (E.G. CANADA AND THE EUROPEANS) TO PROVIDE AID, EITHER DIRECTLY OR THROUGH UNFDAC. IF THIS IS NOT POSSIBLE, WE SHOULD CONSIDER PROVIDING THE

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AID OURSELVES, ON A CASE-BY-CASE BASIS.

12. IN SPITE OF THE SERIOUS DIFFICULTIES CURRENTLY FACING THE TRAFFICKERS, WE DOUBT THAT BURMA CAN SOON BE ELIMINATED AS A MAJOR SOURCE OF ILLICIT NARCOTICS, LACKING SOME BREAKTHROUGH SUCH AS A SUCCESSFUL HERBICIDE PROGRAM. CONTINUED PROGRESS, HOWEVER, SHOULD BE POSSIBLE, AND IF CURRENT TRENDS CONTINUE WE ANTICIPATE A SIGNIFICANT REDUCTION IN THE AMOUNT OF BURMA-PRODUCED OPIATES ENTERING THE INTERNATIONAL MARKET. IN ANY EVENT, OUR EFFORTS AND OUR EXPECTATIONS SHOULD BE GEARED FOR THE LONG RUN. END SUMMARY AND CONCLUSIONS.
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